

PX192

Altcoin

Liquid CEO Explains the Gram Token Sale Is ‘Natural,’ Disputes Conspiracy Theories

Cointelegraph By Hisashi Oki

908 words

14 June 2019

[The Cointelegraph](#)

CONTEL

English

© Cointelegraph 2019. All rights reserved.

It was a “natural” development.

That is how Mike Kayamori, the CEO of Liquid described an exclusive [deal \[https://cointelegraph.com/news/liquid-cryptocurrency-exchange-to-host-public-phase-of-telegram-ico\]](https://cointelegraph.com/news/liquid-cryptocurrency-exchange-to-host-public-phase-of-telegram-ico) with Gram Asia on public sales of Telegram Open Network (TON [\[https://cointelegraph.com/tags/ton\]](https://cointelegraph.com/tags/ton)), a decentralized network being developed by privacy-focused messaging platform Telegram [\[https://cointelegraph.com/tags/telegram\]](https://cointelegraph.com/tags/telegram). Kayamori told Cointelegraph how Liquid came to agree with Gram Asia. He also claimed that Liquid was the pioneer of initial exchange offering (IEO) and explained which advantages Liquid has in the IEO market.

“Everything is between Gram Asia and Liquid”

The upcoming IEO at Liquid is a public sale of gram [\[https://www.liquid.com/gram/\]](https://www.liquid.com/gram/), which is the native token of TON . The Liquid deal was not made with Telegram , but with Gram Asia, the largest Gram holder in Asia. Kayamori confirmed this by saying that “everything is between Gram Asia and Liquid.”

He explained the process of reaching the agreement as follows:

“It was natural. We knew the Gram Asia people. We also believed in Telegram Open Network and its community. [...] A limited scope compared with \$1.7 billion. But let’s do a proper public sale so that Telegram users and greater community can participate in before the actual listing that will happen in October.”

Telegram conducted a private token sale to accredited investors last March, reportedly raising a total of \$1.7 billion. The company [released \[https://cointelegraph.com/news/telegram-officially-releases-ton-testnet-blockchain-lite-client\]](https://cointelegraph.com/news/telegram-officially-releases-ton-testnet-blockchain-lite-client) a testnet version of TON last month and is planning to [launch \[https://cointelegraph.com/news/report-telegram-to-launch-ton-network-in-q3-2019\]](https://cointelegraph.com/news/report-telegram-to-launch-ton-network-in-q3-2019) the mainnet in October.

As to the timing of the public sale, Kayamori explained that Gram Asia made “conscious efforts to try to expand that ecosystem prior to having it listed.” He also added, “I think they wanted to wait until the testnet happens.”

Kayamori acknowledged that some people [are \[https://techcrunch.com/2019/06/10/telegram-ton-liquid-crypto/\]](https://techcrunch.com/2019/06/10/telegram-ton-liquid-crypto/) questioning [\[https://cointelegraph.com/news/sale-of-telegrams-token-gram-on-exchange-liquid-is-not-official-source\]](https://cointelegraph.com/news/sale-of-telegrams-token-gram-on-exchange-liquid-is-not-official-source) why they are selling it now. He said that “there is a lot of conspiracy theories.” Liquid will be announcing a statement to clarify some misunderstandings by media reports as to the gram public sale shortly.

He also suggested Gram Asia’s role as an incubator that works on the TON project and how it is part of the robust community of TON ecosystem.

The public sale is scheduled for July 10. As to the price or the amount of tokens for sale, Kayamori said it would be released about a week before the sale.

The sale will be [available \[https://www.liquid.com/gram/\]](https://www.liquid.com/gram/) everywhere except for some 50 countries, including the [United States \[https://cointelegraph.com/tags/united-states\]](https://cointelegraph.com/tags/united-states) and [Japan \[https://cointelegraph.com/tags/japan\]](https://cointelegraph.com/tags/japan). But Kayamori sees a high potential in the powerful combination of the TON network and Telegram’s 200 million active users:

"If you are a distributed app vendor, would you want to be listed on top of Ethereum? or EOS? Or do you want to be built on top of TON ? Ethereum is great. It is a gold standard of ICO. EOS is decentralized and good but who has 200 million active users already? [...] The TON network app vendors building their applications on it, when it integrates into Telegram , that is going to be special."

Pioneering IEOs

In 2019, major crypto exchanges such as [Binance](https://launchpad.binance.com/) and [Bitfinex](https://cointelegraph.com/news/bitfinex-shareholder-says-1-billion-in-private-purchases-already-sealed-for-upcoming-ieo) are getting attention with conducting IEOs and raising a huge amount of money. But, in 2017, Liquid already did it with their own token, Kayamori insisted:

"We were the first exchange to offer IEO. This was November 2017, when we listed our own token. I mean when we did a public offering of our own token, at the time it was called ICO [\[https://cointelegraph.com/tags/ico\]](https://cointelegraph.com/tags/ico). We conducted that ICO on the exchange"

He was referring to the qash token sale in 2017, which sold 350 million qash tokens, equivalent to \$105 million.

Already in 2017, Liquid already realized the importance of doing a token offering and raising capital by "someone who can validate, someone who can verify, someone who can do due diligence." One of the problems with initial coin offerings (ICOs) was that token issuers "would just do it on their websites with zero KYC [\[https://cointelegraph.com/tags/kyc\]](https://cointelegraph.com/tags/kyc)" — i.e., Know Your Customer compliance. As [previously](https://cointelegraph.com/news/canadian-police-freezes-assets-of-fuel-token-issuers-due-to-alleged-22-million-fraud) reported, [\[https://cointelegraph.com/news/sec-launches-mock-ico-to-show-investors-warning-signs-of-fraud\]](https://cointelegraph.com/news/sec-launches-mock-ico-to-show-investors-warning-signs-of-fraud) there are a lot of ICO frauds cases.

Moreover, while Kayamori welcomes the recent development of the IEO market, he thinks Liquid has advantages:

"As a group of companies, we are regulated in Japan. We also have fiat on-ramps and off-ramps. I don't think any other exchanges that do IEOs have fiat on-ramps and off-ramps."

Although the upcoming gram token offering is taking place on Liquid Global, Kayamori believes that it can bring the "best practices" that it has nurtured in Japan, which is "one of the most strict and the most conservative in the world."

Japan recently [passed](https://cointelegraph.com/news/japan-hopes-to-set-global-crypto-law-benchmark-with-latest-regulatory-update) revised crypto laws, one of which, among many others, asks exchanges to hold clients' funds in a more secure way.

Moreover, Kayamori pointed out the advantage of using [stablecoin](https://cointelegraph.com/tags/stablecoin) USDC for the upcoming sale. All proceeds from the sale will be held in USDC in the custody of Liquid until October. Kayamori explained that, by using USDC, investors can always check how much they have on the blockchain.

"We bring the lessons learned," Kayamori promised.

Having done the first IEO in 2017 and being regulated in Japan, known for strict regulation, Kayamori sees that proper IEOs conducted by regulated exchanges will attract investors in the future. How will the IEO pioneer stand out in the increasingly crowded IEO market? We might get some hints from the public gram sale on July 10.

[Click to view image](#)

[\[http://images.cointelegraph.com/images/528_aHR0cHM6Ly9zMy5jb2ludGVsZWdyYXBoLmNvbS9zdG9yYWdlL3VwbG9hZHMvdmldy80MDYyOWZkZWUyZGY2ZWZiNDdjZjk0Yzk4YTY5MGUxNS5qcGc=.jpg\]](http://images.cointelegraph.com/images/528_aHR0cHM6Ly9zMy5jb2ludGVsZWdyYXBoLmNvbS9zdG9yYWdlL3VwbG9hZHMvdmldy80MDYyOWZkZWUyZGY2ZWZiNDdjZjk0Yzk4YTY5MGUxNS5qcGc=.jpg)

The Cointelegraph

Document CONTEL0020190614ef6e0008e

Timestamp

18 January 2020 17:24

© 2020 Factiva, Inc. All rights reserved.